HOUSE BILL 2747

By Towns

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 18, relative to consumer protection.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 18, Part 1, is amended by adding the following as a new section:

47-18-105.

- (a) As used in this section:
- (1) "Lifetime membership" means a membership or subscription offered by an entity, that lasts for the duration of the member's life in exchange for a fee and a subsequent, periodic renewal fee; and
- (2) "Member" means an individual who has taken the steps required by an entity to obtain a lifetime membership, including payment of a membership fee and a subsequent, periodic renewal fee.
- (b) An entity that offers an option to purchase or subscribe to a lifetime membership shall not cancel a member's lifetime membership for failure to pay a periodic renewal fee until the entity provides a minimum of three (3) written late notices to the member, not including the initial notice that the periodic renewal fee is due, using the member's most recent contact information provided to the entity.

(c)

- (1) A violation of this section constitutes an unfair or deceptive act prohibited under § 47-18-104, and is punishable as provided in this part.
- (2) The attorney general and reporter has all of the investigative and enforcement authority that the attorney general and reporter has under this part

relating to alleged violations of this section. The attorney general and reporter may institute any proceedings involving alleged violations of this section in Davidson County circuit or chancery court or any other venue otherwise permitted by law.

(3) Costs shall not be taxed against the attorney general and reporter or the state in actions commenced under this section.

SECTION 2. Tennessee Code Annotated, Section 47-18-104(b), is amended by adding the following as a new subdivision:

() Violating § 47-18-105;

SECTION 3. This act takes effect July 1, 2022, the public welfare requiring it.

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